

DOCKET NO. 93-787-G - ORDER NO. 95-612 ✓

IN RE: Piedmont Natural Gas Company - ) ORDER DENYING  
Integrated Resource Plan (IRP). ) PETITION FOR REHEARING  
 ) AND RECONSIDERATION

This matter comes before the Public Service Commission of South Carolina (the Commission) on the February 22, 1995 Petition for Rehearing and Reconsideration filed by the Consumer Advocate for the State of South Carolina (Consumer Advocate). The Petition seeks reconsideration of our Order No. 95-154.

The gravamen of the Consumer Advocate's Petition is not to indicate that some or all supply-side options selected by Piedmont Natural Gas Company (Piedmont or the Company) are inherently wrong, but to show that the evidence presented by the Company does not allow the parties or the Commission to make supportable findings based upon evidence of record, and thus Piedmont's IRP is in violation of both the spirit and the letter of Order No. 93-145 and the IRP process. The Commission acknowledged, in approving the stipulation between the Company and the Commission Staff, that Piedmont's analysis of supply-side options was minimal and that in the future, the Company would seek to develop a more comprehensive IRP with greater consideration of supply-side impacts. However, we believe that the Company presented sufficient evidence to support that it had complied with Commission Staff and Commission

prerequisites. In addition, the rebuttal testimony of Piedmont witness Chuck Fleenor described Piedmont's supply-side option considerations in great detail. We believe that overall, Piedmont provided adequate information for the analysis of its IRP and supported its supply-side analyses with sufficient data. We certainly do not believe that Piedmont's consideration and explanation of supply-side options was so minimal as to require a rejection of the Company's Integrated Resource Plan. This portion of the Consumer Advocate's Petition must, therefore, be denied.

The Consumer Advocate also has suggested that the Commission, in the alternative, adopt the language that was agreed upon between the Consumer Advocate and United Cities Gas Company with respect to that company's future IRPs. The Commission has examined this matter and, first, sees no reason to change the language of the Staff Stipulation. United Cities Gas Company presented its own unique situation. United Cities Gas Company's Stipulation was developed specifically for United Cities Gas Company's particular IRP. In addition, the Commission does not feel that the language from the United Cities Stipulation is necessary because the issues of a comprehensive economic analysis of incremental capacity and the estimation of avoided costs for incremental supply resources are consistent with the intent of the Stipulation between the Staff and Piedmont and approved by the Commission. We expect that the issues contained within the United Cities and Consumer Advocate Stipulation relevant to this matter will be addressed in a reasonable and sufficient manner in the future as part of the Company's resource review process and as a component of the

Piedmont IRP process, as a result of the Stipulation between the Staff and Piedmont. Therefore, the Commission considers the alternative proposal of the Consumer Advocate to be redundant and unnecessary.

The Consumer Advocate refers to a discrepancy between the sixty (60) days contained within the modified IRP Order 91-677-G and the Stipulation between the Staff and Piedmont, which uses thirty (30) days, for the purpose of resolving issues related to new, modified or pilot DSM programs.

At this time, we believe that the thirty (30) day review period contained in the Stipulation is a reasonable time. The Consumer Advocate can file a letter of comment with the Commission should it not be able to resolve relevant issues within a thirty day period. The Stipulation between Staff and Piedmont states that comments are not required to protect a party's right to litigate the reasonableness of a DSM program at a future date. In addition, no decision is required from the Commission concerning any new, modified or pilot DSM programs at the time of such filings.

The Commission sees no reason to change its Order in view of the Commission's opinion that it followed the appropriate procedure in the beginning. If additional review time is needed at a later date, the Consumer Advocate may so request.

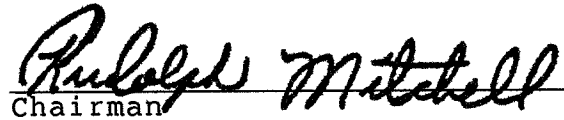
Overall, the Commission holds that the Consumer Advocate's Petition for Rehearing and Reconsideration should be denied.

IT IS THEREFORE ORDERED THAT:

1. The Consumer Advocate Petition for Rehearing and Reconsideration of Order No. 95-154 is hereby denied.

2. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Deputy Executive Director  
(SEAL)